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NATIONAL RECOVERY ADMINISTRATION

APR 8 1936

DIVISION OF REVIEW

EVIDENCE STUDY

NO. 8

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OF

THE COTTON GARMENT INDUSTRY

Prepared by

J. W. HATHCOCK

AUGUST, 1935

PRELIMINARY DRAFT

(NOT FOR RELEASE: FOR USE IN DIVISION ONLY)

THE EVIDENCE STUDY SERIES

The EVIDENCE STUDIES were originally planned as a means of gathering evidence bearing upon various legal issues which arose under the National Industrial Recovery Act.

These studies have value quite aside from the use for which they were originally intended. Accordingly, they are now made available for confidential use within the Division of Review, and for inclusion in Code Histories.

The full list of the Evidence Studies is as follows:

- | | |
|-------------------------------------|---|
| 1. Automobile Manufacturing Ind. | 23. Mason Contractors Industry |
| 2. Boot and Shoe Mfg. Ind. | 24. Men's Clothing Industry |
| 3. Bottled Soft Drink Ind. | 25. Motion Picture Industry |
| 4. Builders' Supplies Ind. | 26. Motor Bus Mfg. Industry (Dropped) |
| 5. Chemical Mfg. Ind. | 27. Needlework Ind. of Puerto Rico |
| 6. Cigar Mfg. Industry | 28. Painting & Paperhanging & Decorating |
| 7. Construction Industry | 29. Photo Engraving Industry |
| 8. Cotton Garment Industry | 30. Plumbing Contracting Industry |
| 9. Dress Mfg. Ind. | 31. Retail Food (See No. 42) |
| 10. Electrical Contracting Ind. | 32. Retail Lumber Industry |
| 11. Electrical Mfg. Ind. | 33. Retail Solid Fuel (Dropped) |
| 12. Fab. Metal Prod. Mfg., etc. | 34. Retail Trade Industry |
| 13. Fishery Industry | 35. Rubber Mfg. Ind. |
| 14. Furniture Mfg. Ind. | 36. Rubber Tire Mfg. Ind. |
| 15. General Contractors Ind. | 37. Silk Textile Ind. |
| 16. Graphic Arts Ind. | 38. Structural Clay Products Ind. |
| 17. Gray Iron Foundry Ind. | 39. Throwing Industry |
| 18. Hosiery Ind. | 40. Trucking Industry |
| 19. Infant's & Children's Wear Ind. | 41. Waste Materials Ind. |
| 20. Iron and Steel Ind. | 42. Wholesale & Retail Food Ind. (See No. |
| 21. Leather | 43. Wholesale Fresh Fruit & Veg. 31) |
| 22. Lumber & Timber Prod. Ind. | |

In addition to the studies brought to completion, certain materials have been assembled for other industries. These MATERIALS are included in the series and are also made available for confidential use within the Division of Review and for inclusion in Code Histories, as follows:

- | | |
|------------------------------------|--|
| 44. Wool Textile Industry | 49. Household Goods & Storage, etc. (Dropped) |
| 45. Automotive Parts & Equip. Ind. | 50. Motor Vehicle Retailing Trade Ind. (Dropped) |
| 46. Baking Industry | 51. Retail Tire & Battery Trade Ind. |
| 47. Canning Industry | 52. Ship & Boat Bldg. & Repairing Ind. |
| 48. Coat and Suit Ind. | 53. Wholesaling or Distributing Trade |

L. C. Marshall
Director, Division of Review

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THE COTTON GARMENT INDUSTRY

Foreword

Most of the statistical material presented in this report for the years 1929, 1931, and 1933 has been compiled from the Census of Manufactures. It must be pointed out, however, that these figures are not comprehensive enough to cover the Industry as defined by the Code, but apply only to the work clothing and shirt branches of the Industry. Figures covering all branches of the Industry are, in general, available only for the year 1934, and such material is available only from the Cotton Garment Code Authority. This has therefore been used to supplement the Census data. Information on exports has been compiled from reports of the Bureau of Foreign and Domestic Commerce. A special tabulation showing employment, earnings, and hours of labor in 1933 and 1934, which is comparable with the Code classification, is presented in Table VII. This information was obtained through a joint effort of the Bureau of Labor Statistics and the Division of Research and Planning, NRA.

For various of the topics upon which information is called for by the outline, material is available only from the Cotton Garment Code Authority. It has in fact, prepared considerable material which has been incorporated in part in this report. Chapters I, II, III, and IV were largely written by Dr. Alfred Cahen, Statistician for the Code Authority. Chapters V and VI, which are presented substantially as supplied by the Code Authority, were prepared as follows:

Chapter V:

Mr. W. C. Morgan, General Manager of the Cotton Garment Code Authority

Mr. Max J. Liebowitz, Divisional Director, Shirt, Pajama and Collar Divisional Code Authority

Mr. William Oseasohn, Divisional Director, Nurses', Service and Undergarment Divisional Code Authority

Mr. Joseph H. Goliger, Divisional Director, Heavy Outerwear Divisional Code Authority

Mr. Charles Daughters, Divisional Director, Work Clothes Divisional Code Authority

Mr. Peter J. Troy, Divisional Director, House Dress Divisional Code Authority

Mr. Harry Rogen, Prison Labor Secretary

Chapter VI:

Mr. W. C. Morgan

Dr. Alfred Cahen

Dr. Gladys Dickason, Secretary, Labor Compliance Committee,
Cotton Garment Code Authority

Mr. A. F. Allison, Secretary, International Association of
Garment Manufacturers

The Appendix was supplied by the Code Authority and is submitted in the
form prepared by it.

Chapter I

DESCRIPTION AND SCOPE

Code Definition

The term "Cotton Garment Industry," as used in the Code

"means and includes the production by any of the following processes: (a) cutting, (b) creasing, (c) sewing (all or part of the garment), (d) trimming, (e) pressing, (f) finishing, (g) examining and inspecting, (h) boxing, or all of them, of any article or garment known as (1) work clothing, work garments, work pants and children's play suits; (2) men's shirts, including knitted outer shirts and polo shirts; (3) boys' shirts and blouses; (4) boys' wash suits; (5) work shirts of any material, including flannel shirts; (6) pajamas and nightshirts; (7) men's collars; (8) cotton wash dresses; (9) oiled cotton garments; (10) men's and boys' pants in chief content of cotton; (11) sheep lined and leather garments; (12) nurses and maids aprons and uniforms; (13) washable service apparel; (14) men's cotton wash suits."

Historical Background

A hundred years ago in the United States, the few cotton garments produced outside the home were manufactured in small plants and were sold principally within neighboring towns and adjacent counties. Household sewing for family consumption was at that time predominant. The only cotton-garment firms more than one hundred years old are those which began by manufacturing oiled cotton garments in Massachusetts. There are some large work-clothing firms, however, which ante-date the Civil War. The industry now manufactures a wide variety of products as suggested in the Code definition cited above.

Four principal factors caused the growth of large plants with distributing agencies all over the United States in place of the small neighborhood garment factory, and of household sewing.

First, improvement in machinery gave to the operator with large capital resources definite production advantages over the neighborhood manufacturer and even rivaled the housewife in lowness of sewing costs.

Second, style trends became prominent in cotton shirts, dresses, and pajamas, whereas at one time these garments had been entirely utility items. Thus in the matter of color and design, the advance of chemical developments in dye stuffs gave to large operators with adequate funds for research distinct advantages over the small local factory.

In more recent years the development of trade marks and national advertising, along with government progress on standards and specifications, has benefitted the large producer whose sales are nation-wide, and consequently reduced the proportionate importance of small local factories.

Fourth, prison production of cotton garments, although a century old, recorded a growth in employment from 5,000 prisoners in 1885 to 16,000 prisoners in 1932, according to the United States Bureau of Labor Statistics. Large-scale production by prisons of work shirts, work pants, and overalls, which were shipped far and near in interstate commerce, forced many small factories to abandon the field of work clothing. Only large, well-equipped plants, with a sales force throughout the country, could afford to compete on a substantial scale with prison labor.

Thus in the past century, the advance in machinery, the development of the style factor, chemical developments, national advertising, and the growth of prison competition operated against the continuance of household sewing for family use and small local production units and favored the large manufacturer. Of the 3,300 members of the Cotton Garment Industry, 200 large firms now account for more than half of the total unit production.

Significant Recent Developments

Three distinct trends operating in the Cotton Garment Industry, even prior to 1929, were: (1) movement of factories from New York City to small towns in Pennsylvania and Maryland; (2) substantial increases in the number of Cotton Garment employees in the South; and (3) increasing percentage of garments sold direct to retailers instead of through wholesalers.

General Operation of the Industry

The Industry is composed of manufacturers who own their own plants; manufacturers who do not own their own plants, but who perform some of the operations of manufacture and contract for other operations -- such as stitching; contractors as such; and wholesale distributors who maintain establishments for the wholesale distribution of the merchandise through offices and stock rooms, but who contract for the entire process of manufacture with contractors.

While it is difficult to describe the process of manufacture for so many as sixteen diversified industries, it may be said that the general practice is for any of the manufacturers in the above-mentioned categories to purchase raw materials, such as piece goods, linings, thread, buttons, and trimmings from sources all over the country. The piece goods are cut on the premises of either the manufacturer or the contractor, and then fabricated, into stock which is stored in suitably located stock rooms or distributing points through the country and sold to retailers and jobbers for consumer distribution.

Number and Location of Establishments

The Code Authority estimates that for the year 1934 the total number of concerns in the Industry amounted to 3,300, and that the total number of plants in the Industry was 3,700. The Industry is made up of firms which, for the most part, have only one establishment. Code Authority figures in Table I indicate that of the total 3,300 firms, 3,150 have one establishment only.

TABLE I

MEMBERS OF THE INDUSTRY CLASSIFIED
ACCORDING TO NUMBER OF ESTABLISHMENTS; 1934

Number of Establishments	Number of Concerns with Specified Number of Establishments
Total number of concerns	3,300
Total number of establishments	3,700
One establishment only	3,150
Two establishments	91
Three establishments	23
Four establishments	16
Five establishments	5
Six establishments or more	15

Source: Cotton Garment Code Authority, Statistical Division,
Payroll Reports.

Data to show location by states are not available for the entire number of establishments estimated in Table I. The location of 3,562 establishments in all branches of the Cotton Garment Industry in 1934 is shown in Table II. This information was compiled by the Code Authority and comparable data for previous years are not available as the Census of Manufactures material covers only the shirt and work clothing branches of the Industry. As will be noted from Table II, the Cotton Garment Industry is widely scattered throughout the United States. The states possessing the largest number of establishments are New York, with 786; Pennsylvania, with 548; New Jersey, with 258; California, with 230; Massachusetts, with 206, and Illinois, with 191.

Capital Investment

Dr. Alfred Cahen, Statistician for the Cotton Garment Code Authority, has estimated that the capital investment for the entire Cotton Garment Industry in 1929 was \$250,000,000. This is a revision of an estimate of \$200,000,000 which a group of large manufacturers in the Industry made for the NRA hearings prior to the drafting of the Cotton Garment Code. The figure \$200,000,000 was estimated upon the basis of products from the Census of Manufactures, but since all Cotton Garment products were not included in the sales figures used at that time, the estimate has been increased to \$250,000,000.

TABLE II
NUMBER OF ESTABLISHMENTS, BY STATES

State	1929 <u>a/</u>	1931 <u>a/</u>	1933 <u>a/</u>	1934
U.S. Total	1,374	1,249	1,143	3,562
California	44	45	31	230
Connecticut	24	26	22	85
Delaware	7	7	7	20
Georgia	20	20	21	57
Illinois	57	46	42	191
Indiana	43	41	43	75
Iowa	20	19	13	25
Kansas	10	7	8	18
Kentucky	11	6	12	27
Maine	13	8	4	18
Maryland	53	53	63	144
Massachusetts	38	42	51	206
Michigan	11	17	11	53
Minnesota	21	19	11	61
Missouri	50	44	40	130
New Jersey	63	55	47	258
New York	332	292	229	786
North Carolina	17	18	17	33
Ohio	44	35	30	98
Oklahoma	8	7	3	16
Pennsylvania	263	238	220	548
Tennessee	24	26	32	47
Texas	43	32	41	121
Virginia	22	24	21	41
Washington	7	6	6	41
West Virginia	5	-	6	22
Wisconsin	21	15	12	51
Other States <u>b/</u>	103	95	100	160

Source: 1929, 1931 and 1933 data are from Census of Manufactures, reports for "Shirts" and "Work Clothing" only. 1934 data are from the Cotton Garment Code Authority, covering all products of the Industry.

a/ Data for shirts and work clothing only, and excluding establishments whose annual production is less than \$5,000.

b/ Includes the following in 1934: Alabama, Louisiana, Mississippi, and Rhode Island, with 15 establishments each; Oregon, 14; Florida, 13; Nebraska, 11; Arkansas, Colorado, Utah, and Vermont, 10 each; South Carolina, 9; New Hampshire, 7; District of Columbia, 5; Montana, 1. The number of establishments in these states was correspondingly small in the earlier years.

Number of Failures and Turnover Among Firms

No data are available on the number of failures nor the amount of liabilities involved, but the high rate of turnover among firms in the Industry is indicated by the following figures from the Census of Manufactures and the Statistical Division of the Cotton Garment Code Authority. Census figures show that the number of establishments making shirts and work clothing declined from 1,374 in 1929 to 1,143 in 1933. ^{1/} On the other hand, the Cotton Garment Code Authority has submitted figures covering about half the establishments in all branches of the Industry which show that during the period July 1929 to March 1934, inclusive, 444 establishments commenced business. Because of the small amount of capital and equipment necessary in the manufacture of cotton garments, many small-scale plants are operated for a time and then, on account of labor troubles, financial difficulties, or other causes, they are closed and the owner may subsequently open a new factory in a more favorable location. Thus there is a continuous flux in the number and location of establishments in the Cotton Garment Industry.

Present Financial Condition of the Industry

Only nine Cotton Garment firms reported financial figures to Moody's or to Standard Statistics, and only seven of these companies recorded their data for the calendar years. These seven firms reported net income of \$5,825,950 in 1929, \$419,562 in 1931, \$4,801,851 in 1933, and \$2,969,263 in 1934.

Value of Products and Volume of Production

The total dollar volume of products for the Industry, as defined by the Code, for the years 1929, 1931 and 1933 is not available, but has been estimated by the Cotton Garment Code Authority on the basis of Census data for groups selected from Census Reports on the major apparel Industries. The estimates are as follows:

1929	\$600,000,000
1931	400,000,000
1933	420,000,000

Volume of \$500,000,000 for the year 1934 has been estimated from label orders to the Cotton Garment Code Authority and average value figures submitted on production reports to the Code Authority's Statistical Division. The total value and volume of sales of each specified product for the years 1929-1934 are presented in Table III.

Basis on which Volume and Value were Determined

Census figures are exact records of production -- for concerns whose annual production amounts to \$5,000 or more -- in thousands of garments and in dollar value, for those products for which distinct Census classifications were given. For some garments, however, such as women's and children's

^{1/} The Census figures refer only to plants manufacturing shirts and work clothing whose annual production is \$5,000 or more.

underwear and nightwear, the Census does not provide separate classifications for cotton, silk and rayon. For other products, such as men's cotton wash suits and cotton pants (not work clothing), Census figures for 1929, 1931, and 1933 were not considered comparable with Cotton Garment Code figures for 1934 since these particular products are manufactured to a considerable extent under other Codes. Likewise, the Census classification for nurses' uniforms are not comparable with the Cotton Garment Code classification since aprons are included in the latter.

Code Authority figures as given for 1934 are based on label sales for the year ending April 23, 1935. These data were multiplied by average value per dozen for each type of garment, as obtained from production reports to the Statistical Division of the Cotton Garment Code Authority. Five work-clothing products are included under the work clothing label; namely, overalls, work pants, other pants, playsuits and outerwear. Separate unit production was estimated for these garments on the basis of increased percentages in monthly Census reports of production of work clothing for 1934 compared with the preceding year, and this was then adjusted to the change in total unit production of work clothing from the 1933 Biennial Census of Manufactures.

Competing Industries and Products

The Cotton Garment Industry, primarily because of overlapping codal definitions, has met with competition from producers under the Codes for the Men's Clothing Industry and the Dress Manufacturing Industry. This competition focuses mainly on men's work and wash clothing and women's wash dresses.

The Industry has complained bitterly with respect to competition emanating chiefly from prison Industries, sheltered work shops, vocational guidance schools, and imports from Puerto Rico.

TABLE III
VALUE AND VOLUME OF PRODUCTION, BY PRINCIPAL PRODUCTS

Kind of Product	Volume of Production (Thousands of Dozens)				Value of Production (Thousands of Dollars)			
	1929	1931	1933	1934 a/	1929	1931	1933	1934 a/
Total	50,000	47,000	53,000	51,650	\$600,000	\$400,000	\$420,000	\$533,788
Men's Shirts	10,963	10,166	9,694	10,818	146,753	100,829	82,456	103,400
Custom-made Shirts	-	-	-	54	-	-	-	2,268
Collars	5,698	3,051	-	1,500	8,883	4,713	2,913	2,600
Men's & Boys' Pajamas	1,847	1,684	1,835	1,832	24,219	19,080	12,346	20,500
Boys' Blouses & Shirts	2,903	3,547	2,207	2,361	20,220	18,104	10,667	12,700
Boys' Wash Suits	-	-	-	169	-	-	7,108	1,600
Overalls	6,450	5,859	7,217	6,243	79,691	46,895	54,123	68,673
Children's Playsuits	2,257	1,703	1,591	1,543	15,862	10,493	10,809	8,101
Work Pants	2,095	2,255	3,404	4,137	29,212	23,172	35,588	54,000
Other Pants	-	-	-	1,047	-	-	-	17,799
Men's Cotton Wash Suits	-	-	-	93	-	-	-	4,464
Work Shirts	5,702	5,526	4,699	5,539	45,744	29,950	21,779	33,100
Lumberjacks, Heavy	-	-	-	-	-	-	-	-
Outerwear	-	-	-	1,500	-	-	-	45,000
Sheeplined & Leather	-	449	394	367	-	22,573	16,900	17,900
Cotton Wash Dresses	-	-	-	9,382	-	-	-	103,300
Women's Undergarments	-	-	-	2,191	-	-	-	13,600
Nurses' & Maids' Uniforms	-	-	-	1,092	-	-	-	7,100
Washable Service Apparel	-	-	-	654	-	-	-	6,300
Oiled Cotton Garments	-	-	-	209	-	-	-	5,300
Miscellaneous	-	-	-	869	-	-	-	6,083

(Footnotes on following page)

TABLE III
(Continued)

Source: 1929, 1931, and 1933 data are from Census of Manufactures reports for the major apparel industries, and do not include establishments whose annual production is less than \$5,000; 1934 data are from the Cotton Garment Code Authority, covering all products of the Industry.

- a/ Data partly estimated from production and label reports to the Code Authority, 1934.
b/ Includes an allowance for products marked with dashes for which figures are not available.

Chapter II

LABOR STATISTICS 1/

Number of Employees

The Code Authority estimates that approximately 200,000 wage earners were attached to the Cotton Garment Industry in 1934. The average numbers of wage earners by states for 1929, 1931, 1933 and 1934 are shown in Table IV. The figures for 1934 are Code Authority data based upon payroll reports submitted by the Industry and covering the entire Industry. Figures for 1929, 1931, and 1933 cover shirts and work clothing only, as reported in the Census of Manufactures.

The degree of seasonality of employment in the Industry is indicated by the breakdown of the number of wage earners by months in 1934, shown in Table V. Employment fluctuated from the low figure of 172,000 wage earners in January to a high of 221,000 in April.

Seasonal variations in the Cotton Garment Industry occur primarily in house dresses and men's cotton wash suits which have very busy spring seasons in preparation for summer sales. The peak seasons for sheep-lined and leather garments and lumberjacks are in the autumn when preparation is made for winter sales. Work clothes have more modified peak seasons in the spring and fall, due to heavy sales in agricultural districts in the corresponding periods. However, as a whole, the Cotton Garment Industry is believed to be less seasonal and to give more regular employment to its workers than any other of the apparel Industries.

1/ For more detailed information, see Exhibit A of Appendix.

TABLE IV

AVERAGE NUMBER OF WAGE EARNERS, BY STATES,
1929, 1931, 1933, AND 1934,
AND AVERAGE HOURS PER WEEK, 1934

State	Number of Wage Earners in each State <u>a/</u>				Average Hours Per Week, 1934
	1929 <u>b/</u>	1931 <u>b/</u>	1933 <u>b/</u>	1934	
U. S. Total	98,031	90,843	109,097	200,000	
Alabama	792	398	1,422	1,893	32.8
California	2,826	2,196	2,474	7,030	34.3
Connecticut	2,480	2,956	3,148	4,767	33.1
Delaware	432	586	598	506	31.2
Georgia	2,642	3,408	2,970	6,071	32.8
Illinois	2,913	1,996	3,573	12,563	31.9
Indiana	5,880	5,812	9,174	13,124	31.2
Kentucky	1,310	797	2,089	2,562	26.8
Louisiana	1,101	280	313	1,014	33.0
Maryland <u>c/</u>	3,140	3,150	4,311	3,574	31.5
Massachusetts	2,026	2,369	2,471	7,767	33.4
Michigan	453	325	657	3,916	28.0
Minnesota	224	772	654	2,299	34.7
Mississippi			1,986	4,422	31.3
Missouri	6,796	5,717	7,072	12,969	31.3
New Jersey	5,717	5,072	3,162	11,065	32.1
New York	16,448	11,403	11,124	17,017	31.6
North Carolina	2,061	2,474	3,261	4,883	31.3
Ohio	3,563	3,244	3,904	6,853	33.9
Pennsylvania	18,272	20,377	22,727	36,730	28.7
Tennessee	2,315	2,279	3,725	7,932	32.3
Texas	3,604	2,748	3,873	7,332	34.4
Virginia	2,093	2,624	3,351	4,754	29.2
West Virginia	464		949	2,620	28.0
Wisconsin	1,046	687	642	3,247	26.0
Other States <u>d/</u>	2,549	8,673	8,067	8,090	

Source: 1929, 1931, 1933, data are from Census of Manufactures reports for "Shirts and Work Clothing" only; 1934 data are from payroll reports submitted to the Cotton Garment Code Authority, covering all products of the Industry.

a/ Employees included: Skilled and unskilled workers on the payroll for week including 15th of month; average for 12 months, 1929 and 1931; average March, June, September, and December, 1933.

b/ Shirts and work clothing only; and excluding establishments whose annual production is less than \$5,000.

c/ Includes District of Columbia.

(Continued on following page)

TABLE IV
(Continued)

d/ Includes the following in 1934; Arkansas and Oregon with a total of 900-1,000 wage earners; Maine, 800-900; Iowa, South Carolina, 700-800; Colorado, Utah, 600-700; Kansas, Oregon, 400-500; New Hampshire, Vermont, 300-400; Florida, Nebraska, Rhode Island, 200-300; Montana, Oklahoma, less than 200. The number of employees was correspondingly small in the earlier years. The average hours per week for these states ranged between 28.6 and 34.7.

TABLE V
SEASONALITY OF EMPLOYMENT, 1934

Week Ending Nearest the 15th	Number of Wage Earners	Total Man-Hours <u>a/</u>	Total Payrolls <u>a/</u>
January	172,000	22,736,000	\$8,247,000
February	191,000	24,524,000	8,969,000
March	203,000	30,344,000	11,371,000
April	221,000	32,595,000	12,268,000
May	215,000	31,341,000	12,139,000
June	201,000	28,349,000	11,227,000
July	184,000	24,844,000	9,471,000
August	193,000	26,560,000	10,158,000
September	205,000	29,090,000	11,230,000
October	202,000	29,011,000	11,170,000
November	201,000	28,721,000	11,080,000
December	191,000	24,310,000	9,913,000
Average for Year	198,417	27,673,800	10,603,600

Source: Payroll reports to the Statistical Division of the Cotton Garment Code Authority.

a/ Figures are estimated in round numbers from concerns representing three-fourths of the employment in the Industry.

Wages Paid by the Industry

The Code Authority estimates that total annual wages for the Industry in 1934 amounted to \$120,000,000. During the years 1929, 1931 and 1933 payments to wage earners producing work clothing and shirts only ranged from a high of \$70,075,000 in 1929 to a low of \$52,184,000 in 1933. A breakdown of these totals by states is presented in Table VI.

TABLE VI

TOTAL ANNUAL WAGES, BY STATES a/

State	1929 <u>b/</u>	1931 <u>b/</u> (T h o u s a n d s)	1933 <u>b/</u>	1934
U. S. Total	\$70,075	\$53,604	\$52,184	\$120,000
Alabama	440	204	509	
California	2,735	2,203	1,597	
Connecticut	2,129	1,980	1,674	
Delaware	208	218	234	
Georgia	1,451	1,377	1,140	
Illinois	1,937	1,230	1,766	
Indiana	4,116	3,333	4,327	
Iowa	629	384	391	
Kentucky	735	341	768	
Maryland	2,117	1,532	2,139	
Massachusetts	1,806	1,633	1,584	
Michigan	254	429	295	
Minnesota	762	573	361	
Mississippi			859	
Missouri	4,712	3,350	3,238	
New Jersey	4,727	3,777	2,799	
New York	14,348	8,466	6,284	
North Carolina	1,133	1,383	1,283	
Ohio	2,847	2,179	2,021	
Pennsylvania	11,952	10,508	10,441	
Tennessee	1,143	994	1,389	
Texas	1,924	1,319	1,724	
Virginia	1,167	1,196	1,288	
Washington	552	428	284	
West Virginia	229		363	
Wisconsin	915	492	352	
Other States	5,637	4,456	3,464	

Source: 1929, 1931, 1933 data are from Census of Manufactures reports for "Shirts" and "Work Clothing" only; 1934 data are from payroll reports submitted to Cotton Garment Code Authority covering all products of the Industry.

a/ Wages consist of total payrolls paid to wage earners during the year.

b/ Data for shirts and work clothing only; and excluding establishments whose annual production is less than \$5,000.

Average Hourly Wage Rates and Average Hours Worked Per Week

Payroll reports to the Statistical Division of the Cotton Garment Code Authority revealed that the Industry's average hourly wage rate for 1929 was 28.5 cents; for 1933, 19.3; and 1934, 36.6. Average weekly earnings

for the same years were \$13.31, \$8.57, and \$12.58 respectively. The average hours per week were 46.7, 44.3, and 34.4, respectively. Average hours per week for the year 1934, by states, are shown in Table IV, above.

A special tabulation of establishments operating under the Cotton Garment Code and reporting to the Bureau of Labor Statistics is presented in Table VII. The average hourly and weekly earnings and hours worked per week shown in this table compare very well with the Code Authority data for 1934. In 1933 the Bureau of Labor Statistics figures on average earnings are somewhat higher than those from the Code Authority while those on average hours per week are lower.

Number of Employees Under 16 Years of Age.

The Cotton Garment Code Authority advised that there was a negligible number of employees under 16 years of age in the Industry during 1934. On the basis of the United States Census of Occupations for 1930, it appears that 3.9 per cent of the operators in the Shirt Industry were less than 16 years of age. For the entire Cotton Garment Industry for 1930, it can be estimated that approximately 7,800 employees were under 16 years of age.

According to the Pennsylvania State Department of Labor, weekly wages of children under 16 in the Clothing Industry in that state were \$8.38 in 1926; \$3.31 in 1932, and \$2.76 in 1933.

TABLE VII

EMPLOYMENT, PAYROLLS, HOURS AND WAGES, 1933-1934 a/

Month b/	Indexes, 1933=100			Average Hours Worked per Week e/	Wages	
	Employment c/	Payrolls c/	Man-Hours d/		Average Hourly e/ (Cents)	Average Weekly c/ (Dollars)
1933						
Jan.	85.2	71.3	87.5	38.1	23.1	9.19
Feb.	91.9	79.8	92.9	37.5	23.4	9.54
Mar.	90.4	75.6	92.3	37.9	25.2	9.20
Apr.	94.6	82.7	102.0	40.0	24.5*	9.40*
May	98.6	89.7	108.2	40.7	24.8	9.78
June	106.4	101.6	121.5	42.4	24.9	10.29
July	110.5	104.3	121.5	40.8	25.3	10.11
Aug.	108.4	124.2	107.4	36.8	34.2	12.27
Sept.	108.5	125.8	99.1	33.9	36.9	12.36
Oct.	109.1	130.4	102.1	34.7	37.1	12.81
Nov.	102.9	115.7	89.1	32.1	38.0	11.95
Dec.	93.5	98.9	76.4	30.3	38.2	11.28
Average	100.0	100.0	100.0	37.1	29.6	10.68
1934						
Jan.	84.9	90.7	70.2	30.7	38.2	11.34
Feb.	99.7	115.8	90.0	33.5	37.5	12.49
Mar.	108.2	132.4	101.5	34.8	37.8	13.18
Apr.	113.5	140.6	108.3	35.4	36.9	13.27
May	112.3	139.8	103.8	34.3	38.1	13.30
June	108.6	131.9	95.4	32.6	38.7	12.79
July	93.9	107.4	76.4	30.2	39.9	11.90
Aug.	98.7	121.9	85.6	32.2	39.6	12.74
Sept.	104.0	129.6	90.0	32.1	39.9	12.97
Oct.	101.6	129.5	89.8	32.8	39.7	13.20
Nov.	100.4	127.4	88.2	32.6	39.7	13.05
Dec.	91.4	106.2	71.7	29.1	41.4	12.02
Average	101.4	122.8	89.2	32.5	39.0	12.69

(Footnotes on following page)

TABLE VII
(Continued)

Source: Unpublished data secured by the Bureau of Labor Statistics in cooperation with the Division of Research and Planning, NRA.

- a/ Reporting establishments considered to be almost completely covered by the Cotton Garment Code.
- b/ Figures reported were for the payroll period nearest the 15th of the month.
- c/ Based upon a representative sample covering an average of 290 establishments and nearly 41,000 employees in 1933, and a larger group in 1934.
- d/ Computed: Index of employment times average hours worked per week reduced to 1933=100.
- e/ Based upon a representative sample covering an average of 86 establishments and nearly 13,700 employees in 1933. The sample was considerably larger in 1934.

* May figures used in computing hourly cents and weekly dollars.

Cost of Labor Relative to Value of Product

The percentage which the cost of labor is of the value of product in the Cotton Garment Industry ranged from 19 per cent in 1934 to 21 per cent in 1931. Attention is again directed to the fact that the figures shown in Table VIII for 1929, 1931, and 1933 are based on data for shirts and work clothing only. The figures for 1934 are based upon Code Authority total value of product estimated from labor and production reports from the Industry.

Additional information relative to labor statistics in the Cotton Garment Industry is contained in Exhibit A, which is a study prepared by Dr. Alfred Cahen, Statistician of the Cotton Garment Industry and covers cotton garment wages and hours for the period July, 1929 to April, 1935, inclusive. This study presents labor statistics by months for the period above mentioned and is broken down to cover (1) employment index, (2) weekly wages, (3) weekly hours, (4) employment in the North, South and border states, (5) hourly earnings, (6) and per cent change in these items during the first three months under the 36-hour week.

TABLE VIII

VALUE OF PRODUCT, LABOR COST, AND COST
OF MATERIALS

Year	Total Value of Product (Thousands)	Total Labor Cost		Total Materials Cost	
		Amount (Thousands)	Per Cent of Total	Amount (Thousands)	Per cent of Total
1929 <u>a/</u>	\$366,772	\$70,075	19.1	\$200,230	54.6
1931 <u>a/</u>	255,409	53,604	21.0	133,308	52.2
1933 <u>a/</u>	255,053	52,184	20.5	142,126	55.7
1934	500,000	95,000	19.0	275,000	55.0

Source: 1929, 1931, 1933 data are from Census of Manufactures, reports for "Shirts" and "Work Clothing" only; 1934 data from Cotton Garment Code Authority, covering all products of the Industry. For the latter year, total value of products are estimated from label and production reports; labor and material costs are estimated from a cost price inquiry by the International Association of Garment Manufacturers.

a/ Data for shirts and work clothing only; and excluding establishments whose annual production is less than \$5,000.

Chapter III

MATERIALS: RAW AND SEMI-PROCESSED

Principal Materials Used by Cotton Garment Industry

The principal materials used by the Cotton Garment Industry are cotton cloth; silk cloth; wool cloth; rayon cloth; cloth composed of mixed fibres; leather; fleece; thread; buttons; zippers; webbing; and rubber.

It is impossible to indicate the volume of each principal material used by the Cotton Garment Industry inasmuch as the total production data for these items are not broken down to show distribution among this and the several other Industries using these materials. However, the Cotton Textile Institute has estimated that the Cotton Garment Industry in 1929 consumed approximately 1,300,000,000 square yards of cotton cloth, which represented around 15 per cent of the total production of cotton cloth (8,541,545,733 square yards) for the year 1929.

Source of Production of Materials Used by the Industry

The Census of Manufactures for 1929 breaks down cotton goods into print cloth, denims, shirtings, drills, and gingham. The total value of these items and the source of production in terms of cotton growing states and New England states are indicated in Table IX. As already pointed out, however, it is impossible to estimate the proportions of these various items which are used by the Cotton Garment Industry alone.

Amount Spent for Machinery and Equipment

No data are available on purchases of machines and equipment, but a questionnaire on changes in machine capacity, employment, and payrolls sent out by the Statistical Division of the Cotton Garment Code Authority has elicited information showing the increase in sewing machines for 947 identical plants, which represent three-fourths of the employment of the Industry. These 947 plants report \$108,475 spent for machinery and equipment in 1929, \$122,501 in 1933, and \$131,229 in 1934.

TABLE IX

VALUE OF PRINCIPAL MATERIALS USED BY THE INDUSTRY,
BY KIND AND PRODUCTION AREA: 1929

Production Area	Print Cloth		Denims		Shirtings		Drills		Ginghams	
	Value (Thousands)	Per Cent of Total	Value (Thousands)	Per Cent of Total	Value (Thousands)	Per Cent of Total	Value (Thousands)	Per Cent of Total	Value (Thousands)	Per Cent of Total
U.S. Total	\$121,423	100.0	\$49,256	100.0	\$45,771	100.0	\$39,701	100.0	\$17,717	100.0
Cotton Growing States	106,898	88.0	44,591	90.5	31,719	69.3	38,101	96.0	15,032	84.8
New England States	14,456	11.9	4,665	9.5	13,421	29.3	-	-	2,685	15.2
Other States	69	.1	-	-	631	1.4	1,600	4.0	-	-

Source: Census of Manufactures: 1929, "Cotton Goods."

The source of supply of the sewing machines used by the Cotton Garment Industry can be fairly well ascertained by reference to Table X which shows the total value of all sewing machines and attachments produced, by states, for the year 1929.

TABLE X
VALUE OF SEWING MACHINES AND ATTACHMENTS
PRODUCED, BY STATES, 1929

State	Number of Establishments	Value of Products	Per cent of Total Value
U. S. Total	39	\$45,094,600	100.0
Illinois	4	8,783,941	19.5
Massachusetts	7	2,341,851	5.2
New York	15	1,024,959	2.3
Other States <u>a/</u>	13	32,943,849	73.1

Source: Census of Manufactures, 1929, Volume II, page 1175.

a/ Connecticut, 3 establishments; Maryland, 1; Missouri 2; New Jersey, 2; Ohio, 3; Pennsylvania, 2.

Cost of Materials Relative to Value of Products

The percentage which the cost of materials is of the value of products is shown in Table VIII above. Special attention is directed to the fact that data for the years 1929, 1931, and 1933 cover only shirts and work clothing, whereas the 1934 figures cover the total value of the products of the Industry as estimated by the Cotton Garment Code Authority.

Additional information relating to costs in various branches of the Industry is shown in Exhibit B of the Appendix.

Chapter IV

PRODUCTION AND DISTRIBUTION 1/

Volume and Value of Products by States

Table XI presents value of cotton garment products by states for the years 1929, 1931, and 1933, and volume of production for 1934. It must be noted that data for all years except 1934 are for shirts and work clothing only. The 1934 data, which are based on label sales, indicate that approximately 47 per cent of production in the industry originated in the five states of Indiana, Massachusetts, Missouri, New York and Pennsylvania.

Value and Volume of Products Shipped

No data are available on interstate shipments of cotton garments. However, it is significant to note that 99 per cent of men's collars are manufactured in New York State although worn by consumers in every state.

Data on sales offices were not required on Code Authority reports, but several hundred firms submitted such information. One hundred and thirty-four companies with no plants in New York State maintain sales offices in New York City; 19 companies with no plants in Illinois have sales offices in Chicago; 12 companies with no plants in California maintain sales offices in Los Angeles, and an additional 16 companies have sales offices in San Francisco. Twenty-three companies maintain sales offices in Baltimore, St. Louis, Boston, Detroit, Minnesota, Dallas, Phoenix, Cincinnati, Philadelphia, Seattle, and Omaha, but have no plants in the states in which these cities are located.

1/ For a breakdown of production costs for various types of garments, see Exhibit B of the Appendix.

TABLE XI

VALUE OF PRODUCTS BY STATES, 1929, 1931, 1933
AND VOLUME OF PRODUCTION, 1934

State	1929 <u>a/</u>	1931 <u>a/</u>	1933 <u>a/</u>	1934 <u>b/</u>	
	Value (Thousands)	Value (Thousands)	Value (Thousands)	Volume (Thousands of Garments)	Per Cent of Total
U.S.Total	\$366,772	\$255,409	\$255,053	600,000	100.0
Alabama	1,846	783	2,350	5,400	0.9
Arkansas	1,649	979	1,055	2,400	0.4
California	11,321	7,704	6,932	18,600	3.1
Connecticut	8,013	5,574	5,474	16,200	2.7
Delaware	597	241	1,037	3,600	0.6
Georgia	6,753	5,732	8,159	15,600	2.6
Illinois	9,140	4,999	7,588	31,200	5.2
Indiana	20,682	14,893	19,476	37,800	6.3
Iowa	3,542	1,968	1,853	3,600	0.6
Kansas	972	725	601	1,200	0.2
Kentucky	5,746	2,923	4,317	7,800	1.3
Louisiana	2,784	703	680	2,400	0.4
Maine	1,715	729	207	1,200	0.2
Maryland	13,039	10,447	12,852	22,200	3.7
Massachusetts	9,188	6,962	6,672	31,200	5.2
Michigan	1,426	1,805	1,246	11,400	1.9
Minnesota	3,592	2,306	1,820	6,000	1.0
Mississippi			3,945	12,600	2.1
Missouri	22,816	12,743	13,407	42,600	7.1
New Jersey	26,393	15,912	11,203	34,800	5.8
New York	87,744	65,883	44,207	70,800	11.8
North Carolina	6,324	6,171	6,714	18,600	3.1
Ohio	13,331	8,154	8,590	22,800	3.8
Pennsylvania	54,540	39,935	43,201	96,000	16.0
Tennessee	8,536	7,234	7,782	24,000	4.0
Texas	9,783	5,530	8,281	16,200	2.7
Virginia	5,670	4,856	7,411	15,600	2.6
Washington	2,974	1,729	1,449	2,400	0.4
West Virginia	1,432		2,725	9,600	1.6
Wisconsin	4,843	1,936	1,714	8,400	1.4
Other States <u>c/</u>	20,381	15,853	12,105	7,800	13.0

Source: 1929, 1931, and 1933 data are from Census of Manufactures reports on "shirts" and "Work Clothing" only; 1934 data are from label orders of the Cotton Garment Code Authority, covering all products of the Industry

(Continued on following page)

TABLE XI
(Continued)

- a/ Data for shirts and work clothing only; and excluding establishments whose annual production is less than \$5,000.
- b/ Value not given for individual states in 1934. Total value was \$500,000.
- c/ Includes the following in 1934, with estimated production of 600,000 to 1,200,000 garments: District of Columbia, Florida, Nebraska, New Hampshire, Oregon, Rhode Island, South Carolina, Utah, Vermont.

The volume for these states was correspondingly small in earlier years.

Value and Volume of Products Exported from the United States

Table XII presents the exports of cotton garments from the United States by value and volume for the years 1929, 1931, 1933, and 1934. Particular attention is drawn to the fact that figures for dozens are not comparable with dollar values since no unit export data are available for some of the garments included. It is noted that exports declined in value from the 1929 high of \$5,492,395 to \$1,697,696 in 1933. However, an upturn to \$2,195,987 was registered in 1934, although volume in 1934 did not quite attain the 1933 level.

TABLE XII
EXPORTS BY VALUE AND VOLUME

Exports	1929	1931	1933	1934
Value				
(Dollars) a/	\$5,492,395	\$3,391,545	\$1,697,696	\$2,195,987
Volume				
(Dozens) b/	688,976	410,225	268,461	240,156

Source: Bureau of Foreign and Domestic Commerce, Foreign Commerce and Navigation of the United States. Figures for dozens are not comparable with dollar values since no unit export data are available for some of the garments included.

- a/ Data for collars and cuffs, cotton overalls, breeches and pants, underwear (not knit), shirts, dresses, skirts and waists, and other cotton clothing.
- b/ Data for all classifications listed in a/ except "other cotton clothing."

Nature of Advertising

Members of the Cotton Garment Industry advertise by magazine, radio and newspaper, on both a national and a local scale. A comparatively

small number of firms in the Cotton Garment Industry utilizes all of these means of advertising.

Shift of Centers of Production

Between 1929 and 1933, the Census recorded a shift in employment on work clothing and shirts from New York, New England, and other high-wage states to Pennsylvania, Maryland, and the South, where lower wages prevail. This shift is indicated by the percentage change in employment between 1929 and 1933 presented in Table XIII.

TABLE XIII
CHANGE IN EMPLOYMENT BETWEEN 1929 AND 1933,
BY PRINCIPAL STATES

State	Percentage Change in Employment Between 1929 and 1933
Alabama	+ 80
Arkansas	+ 2
California	- 12
Connecticut	+ 27
Delaware	+ 38
Georgia	+ 12
Illinois	+ 23
Indiana	+ 56
Iowa	- 28
Kansas	- 21
Kentucky	+ 38
Louisiana	- 72
Maine	- 80
Maryland <u>a/</u>	+ 37
Michigan	+ 45
Missouri	+ 4
New Hampshire	- 46
New Jersey	- 10
New York	- 32
North Carolina	+ 58
Ohio	+ 10
Oklahoma	- 52
Pennsylvania	+ 24
Tennessee	+ 61
Texas	+ 7
Utah	- 8
Vermont	- 41
Virginia	+ 60
Washington	- 32
West Virginia	+ 105

Source: Computed from figures in Table IV of this report.

a/ Includes District of Columbia.

Productive Capacity

The Cotton Garment Code Authority has estimated the productive capacity of the industry and the percentage utilized for the year 1934. (See Table XIV). It is noted that the 1934 production of 600,000,000 units represents 54 per cent of the theoretical maximum capacity output. The 138,393 machines operated represented 63.6 per cent of the number of machines in place. The actual machine hours of operation represent 54 per cent of capacity machine hours of operation. The Code Authority stated that these figures are based on theoretical maximum capacity, i.e., 100 per cent of the machines working 40 hours per week. In contrast to this, actual working capacity, which may be figures on the basis of 38 hours per week, with 85 per cent of the machines in operation, would have been approximately 896,000,000 garments in 1934. Thus, 1934 production (600,000,000 units) may be estimated at approximately 67 per cent of actual working capacity (896,000,000 units).

TABLE XIV
PRODUCTIVE CAPACITY AND PER CENT
UTILIZED: 1934

Items	1934
Theoretical Maximum Capacity Output (Units)	1,110,000,000
Actual Production (Units)	600,000,000
Per Cent	54
Number of Machines in Place	217,600
Number of Machines Operated	138,393
Per Cent	63.6
Capacity Machine Hours of Operation	452,608,000
Actual Machine Hours of Operation	244,678,824
Per Cent	54

Source: Questionnaire on machine capacity, and monthly payroll reports to the Statistical Division of the Cotton Garment Code Authority.

Chapter V

TRADE PRACTICES

Unfair Trade Practices Prevalent Before Code

A brief description is given below of a number of unfair trade practices which have been prevalent in the Cotton Garment Industry.

Unfair Return of Merchandise. - Retailers and jobbers took unfair and unjust advantage of manufacturers by the arbitrary return of merchandise without just cause. Manufacturers, therefore, got merchandise back sometimes many months, and even a year, after delivery. This resulted in the return of tremendous quantities of merchandise which were later offered as distress merchandise. These goods were then sold below the market, thereby resulting in losses to the respective Industries.

It is claimed that unreasonable return of worn merchandise worked a hardship on the manufacturer and became a habit with retailers, for the purpose of boosting their sales at the expense of the seller. Returns of unseasonable merchandise because of carry-overs created a situation whereby merchandise had to be sold by the manufacturer at terrific losses.

Secret Rebates. - Secret rebates were allowed to a particular class of customers, but not to all customers.

Freight Allowances. - Freight allowances were granted to certain sections, but not equally to all trade areas, thus giving selected manufacturers an advantage in a particular market.

Excessive Terms. - The allowance of excessive terms to a particular class of customer, but not given uniformly to all customers, created an unfair competitive advantage.

Consignment Selling. - Many types of garments coming under the jurisdiction of the Cotton Garment Code were produced by large producers who were financially strong and who have benefitted through the selling of their products to stores in various sections of the country on a purely consignment basis. This has resulted in lowering price levels because the retailer had no risk, and because he had the privilege of returning the merchandise. The retailer could also offer to sell this merchandise cheaper than his competitor who had bought it outright from other members of the Industry. The accumulation of returned and soiled left-overs from the retailer caused additional distress in the market when these goods were finally dumped. Consignment selling created an advantage to highly capitalized concerns, at the disadvantage of smaller producers.

Advertising Allowances. - The ability to grant advertising allowances created a condition advantageous to highly capitalized concerns, and reacted to the disadvantage of smaller producers who could not afford to grant such allowances.

Inaccurate Advertising. - Misrepresentation of quality, content, color, size, fabric, and wearability misled the consumer, to his detriment, and gave the offender an undue competitive advantage.

Improper Cancellations and Exchanges. - This attempt on the part of the purchaser to pass on his legitimate risk to the manufacturer helped to cause over-production and economic losses.

Wilfully Destructive Price Cutting. - This method of destroying competitors' gains in a particular field through the introduction of prices below cost for the sole purpose of gaining an unfair competitive advantage in that field of operation affected the stability of labor standards and price levels.

Lack of Standards and Arbitration Facilities. - Lack of standards in the Industry created a destructive method of merchandising to the detriment of the consumer by lowering the generally accepted quantitative standard measurements of garments. Many members of this Industry, for the purpose of gaining a price advantage, cut down on customarily accepted standards of measurements of garments, without labelling such garments sub-standard.

Lack of arbitration facilities for the determination of disputes concerning unfair trade practices created an ill feeling among purchasers and sellers. Lack of such facilities prevented any adjustment, thereby tending to perpetuate the existence of unfair conditions.

Unfair Competition of Prison Made Goods. - The low cost of prison-made goods demoralized the price structure of cotton garments, causing price cutting among manufacturers, and resulting in the shutting down of free plants and in throwing free workers out of employment.

The prisons began to make merchandise many years ago, and as early as 1879 the competition of that class of merchandise with the free-made goods started to have a telling effect. Although the volume of cotton garments in general produced by convict labor was not great, its consequences upon the few branches of the Industry with which it does compete have proved serious and destructive. This effect can be directly traced to the fact that prison-made goods were placed upon the market in competition with merchandise made by free labor.

Competition of prison-made garments continued during the period of Code operation and a recent example is given with respect to the production of prison-made work shirts, which, since 1914, has had considerable effect on the work-shirt branch of the Industry. In April 1934, chambray work shirts sold for about \$5.50 to \$6.60 per dozen, but the price has recently been reduced to \$3.90 per dozen. This decline is attributed directly to the selling of similar shirts made by prison labor. A like condition existed in the summer of 1935 with regard to higher grade work shirts which were quoted as low as \$5.37½ per dozen by free manufacturers as against \$6.50 per dozen a year ago. Competing garments of similar type produced in prisons were quoted at prices ranging from \$.75 to \$1.25 below the above prices.

Labor employed in the making of work shirts and work pants has always been paid the lowest hourly wages in the Cotton Garment Industry, averaging only 22 cents for work shirts and 25 cents for work pants in 1929, as compared with 32 cents for overalls a line which has been relatively free from prison competition. In March 1933, work shirt hourly wages were 16 cents

and work pants 18 cents, compared with 22 cents an hour for overall workers. In March 1935, work shirts and work pants producers were still paying the lowest wages in the Cotton Garment Industry, but had registered unparalleled gains in hourly wages of 136 and 129 per cent, respectively, in the past two years.

Spread of Unfair Trade Practices

Several instances are cited where an unfair competitive practice in one area spread to another area, or affected the flow of interstate commerce.

In the Northwest, certain large producers of heavy outerwear were in the habit of granting November 1st dating, net 60 days, on merchandise which they sold at the beginning of that year and shipped any time before November 1st. This practice spread to all other sections of the country, but could be imitated only by the large producers. It was strongly opposed by the smaller manufacturers because they could not meet such competition.

Early in May, 1934, a large overall producer in North Carolina reduced his price by \$1.00 per dozen, or 11.6 per cent. Within ten days, two other nearby manufacturers, located in Virginia, slashed their prices by a similar amount. Within thirty days complaints were registered from Arkansas, Illinois, Indiana, Maryland, Missouri, Ohio, Tennessee and Wisconsin. An inquiry sent by the Compliance Division of the Cotton Garment Code Authority in December elicited the facts that five large overall producers, whose factories are located in Georgia, Illinois, Kentucky, North Carolina, Tennessee, and Virginia, despite geographical distances and state lines, were so vitally influenced by competition that all were selling at \$7.62 $\frac{1}{2}$ per dozen, or 11.6 per cent lower than the price prior to the slash by one large producer seven months earlier.

Effect of Individual Members on Price Structure of Industry

In all product groups of the Cotton Garment Industry with the exception of house dresses, the largest firms represent more than 5 per cent of the total unit output, and a much larger proportion of the production within a given price range, so that one such leader is capable of breaking the market price.

CHAPTER VI

GENERAL INFORMATION

Trade Organizations

The International Association of Garment Manufacturers was organized in 1908 in order to take care of the various interests represented by manufacturers who subsequently came under the jurisdiction of the Cotton Garment Code. In addition, many of the trade associations listed below are also members of this parent organization.

National Association of Shirt Manufacturers
National Association of Boys' Blouse and Shirt Manufacturers
National Pajama Manufacturers' Council, Incorporated
National Association of Collar Manufacturers
National Association of Work Clothes Manufacturers
The Union-Made Garment Manufacturers' Association of America
National Association of Work Shirt Manufacturers
National Association of Sheep Lined and Leather Garment Manufacturers
Associated Pants Manufacturers of America
National Association of House Dress Manufacturers, Incorporated
National Oiled Cotton Garment Manufacturers' Association
National Association of Nurses' and Maids' Aprons and Uniforms
Shirt Institute, Incorporated
National Association of Men's Shirts and Boys' Blouse Contractors
Associated Manufacturers of Washable Service Apparel, Incorporated
Association of Cotton Undergarment and Sleeping Garment Manufacturers

The above associations were formed for the purpose of taking care of the interests of the manufacturers in the indicated branches of the Industry. They later became active in the promulgation of the Code for the Industry.

The Industry is also organized in the following regional associations:

The Southern Garment Manufacturers' Association
The Baltimore Needle Trade Association
New England Garment Manufacturers' Association
Men's Apparel Industries of Los Angeles
The Central Garment Manufacturers' Association
The Southwest Work Clothes Manufacturers' Association
Ohio-Indiana Garment Manufacturers' Association
Pacific Coast House Dress Manufacturers' Association
San Francisco Manufacturers' and Wholesalers' Association

The Southern Garment Manufacturers' Association, for example, is an association which has a membership of manufacturers located in the southern area and is primarily interested in regional problems, such as wage differentials. The other associations have similar problems of both local and national scope.

The membership of these organizations consists of both large and small manufacturers who in many cases are members of both local and national associations as well as the parent body, the International Association of Garment Manufacturers.

Labor Organizations

Estimates 1/ of the membership of the unions representing workers in the Cotton Garment Industry are given below. Membership figures in any branch of the Industry must necessarily be approximate, since, for example, lumberjacks are sometimes made in shirt factories, and the union would not have the workers employed in their production separately classified. Also, although the Amalgamated may have a figure for its total membership of pants workers, it does not have them classified according to the Code under which the manufacturer operates, i.e., whether it is the Men's Clothing or the Cotton Garment Code.

<u>Name of Union</u>	<u>Total Membership</u>	<u>Membership in Cotton Garment Industry</u>
Amalgamated Clothing Workers of America	150,000	40,000
United Garment Workers of America	40,000	20,000
International Ladies' Garment Workers' Union	220,000	20,000

<u>Name of Union</u>	<u>Product</u>	<u>Number of Employees.</u>	
		<u>Total in Specified Branch</u>	<u>Number in Union</u>
Amalgamated Clothing Workers of America	Men's shirts, pajamas, and boys' blouses	62,000	30,000-35,000
	Heavy outerwear and sheep lined and leather	14,000	6,000- 8,000
	Men's and boys' pants	7,600	4,000
United Garment Workers of America	Men's shirts	62,000	5,000
	Overalls, work shirts and work pants	62,000	15,000
	Men's and boys' pants	7,600	Not available
International Ladies' Garment Workers' Union	House dresses and nurses' and maids' uniforms	40,600	15,000
	women's undergarments	5,200	Not available

Relationship between Labor and Management

In the Work-Clothes Industry. - The United Garment Workers Union is the oldest union in the cotton garment field. Organized in 1892, it has for many years been strong in the work-clothes field. Relations between the United

1/ Representatives of the Amalgamated Clothing Workers of America and of the United Garment Workers of America could not be reached to verify these figures as to union membership, but they are correct to the best information of the writer.

Garment Workers and the Union-Made Garment Manufacturers Association have been cordial, and have redounded both to the benefit of the manufacturers and the workers. Garments manufactured by union labor bear the union label and are, in general, purchased by union members in preference to non-union-made work-clothes. Wages in the union houses are relatively high.

In the Shirt and Men's Pajama Industries. - Workers in the shirt and pajama industries in general were not organized, except in New York City, until the spring of 1933. Attempts to organize had been made at intervals previous to that time, but had been, on the whole, unsuccessful. In the spring of 1933, the Amalgamated Clothing Workers of America began a general drive to organize shirt workers in Pennsylvania. At that time, shirt workers in that area were receiving a wage of from \$3 to \$7 per week. Strikes were called in some cases to enforce the \$5 per week minimum. During the two years since the beginning of this campaign, more than one-half of the shirt and pajama workers in the United States have been organized. While there have been a number of hard fought strikes of from 3 to 7 weeks' duration, strikes have not occurred once collective bargaining relations have been established.

In the House-Dress Industry. - Relations between cotton-wash-dress manufacturers and the unions representing the employees in that industry have not been so smooth as in the other industries mentioned. An organizing campaign has been carried on in this Industry for the past 2 years with some success. The New York and Philadelphia markets are organized, and the union has some membership in Milwaukee, Chicago, and St. Louis. A number of bitter strikes occurred during the spring of 1935 with an accompaniment of arrests, injunctions, etc.

Employee Representation Plans

While some plants which have no agreements with national labor unions have employee representation plans, these are relatively few as compared with the total number in the Industry.

Effect of the Code on the Industry

Average Hours. - Under the NRA the average hours worked have been reduced from about 44 in March 1933, to approximately 31, or a decline of nearly 33 per cent.

Hourly Rates of Pay. - These have risen since the bottom of the depression in March 1933, by 117 per cent, a very exceptional achievement. Hourly rates of pay are even 47 per cent higher than in July 1929.

Employment. - In the Cotton Garment Industry employment did not decline appreciably during the depression so that February 1935 records an advance of almost 10 per cent over both March 1933 and July 1929. By virtue of maintaining employment and long hours during the depression, cotton garment producers were in the unique position among industries of having an expanding unit production. Sales of cotton garments, particularly work clothing, increased because unemployed and impoverished workers and farmers could not afford the more expensive apparel. On the other hand, during 1934, the period of business revival, Census figures on work clothing showed a decline

in production of 4 per cent from the previous year. Inasmuch as employment in the Industry was sustained during the depression, the principal effect of NRA upon this Industry has not been in the field of reemployment, but in raising wages.

Weekly Wages. - The weekly pay envelope of the worker indicates his purchasing power. The advance of \$4.40 per worker from March 1933 to February 1935, multiplied by 200,000 employees, adds \$880,000 per week to the Industry's payroll, or an increase of \$45,000,000 annually. This constitutes the Industry's contribution toward increasing purchasing power under NRA. Weekly wages are only 3 per cent lower than 1929, while living costs have fallen 20 per cent.

Summary. - The gains under the Code are summarized in the figures which follow:

	July <u>1929</u>	March <u>1933</u>	February <u>1934</u>	February <u>1935</u>
Weekly hours	46.6	44.4	32.1	30.9
Hourly wages	\$.286	\$.193	\$.356	\$.419
Weekly wages	\$13.37	\$ 8.59	\$11.74	\$12.99
Index of employment	100.0	99.7	99.6	109.1

Source: Prepared by the Cotton Garment Code Authority.

In addition, 10,000 child laborers -- more than in any other industry -- have been replaced by adult workers.

The foregoing figures are on the basis of 979 identical plants reporting 147,898 workers in February 1935, or approximately three-fourths of the Cotton Garment Industry. Data covering the Cotton Garment Industry were not available prior to the work of the Statistical Division of the Cotton Garment Code Authority, and this mobilization of factual evidence is another achievement of the Code.

The Cotton Garment Industry has registered these gains in spite of unfair competition from prisons, sheltered work shops, vocational guidance schools, and imports from Puerto Rico. The average of 19 cents per hour in 1933, as cited above, refers to the entire Cotton Garment Industry, but many individual plants have submitted records to the Statistical Division of the Cotton Garment Code Authority admitting payments as low as 8 cents an hour. Hours were in some instances not less than 54 per week. Only one-fifth of the total employees were receiving as high as the present minimum wage prior to NRA, while two-thirds of the workers are now paid above the Code minimum.

Per Cent of the Products of the Industry which are Trade Marked

On the basis of information from the International Association of Garment Manufacturers, it may be estimated that approximately 15 per cent of the cotton garment products are trade marked. This figure refers to the proportion of the unit volume of the Industry that is trade marked and is not a per cent of the total value of products made in the Industry.

Foreign Competition

Imports of all cotton wearing apparel from foreign countries, excluding Puerto Rico and the Philippine Islands, amounted in 1934 to only \$238,066, or an infinitesimal fraction of the \$500,000,000 sales by cotton garment manufacturers. Nevertheless, Japanese shipments to the United States more than doubled those of 1933, while imports from England and France remained at a stationary level, and shipments from Germany, Italy, Belgium and Holland declined sharply. Japan now ships a greater dollar volume of cotton garments to the United States than any other country. Total dollar volume of cotton garments from all countries rose only 4.6 per cent over 1933, which probably indicates an actual decline in units shipped owing to price rises.

The following tabulations present breakdowns upon which the above summary is based.

<u>Shirts</u>	<u>1933</u>			<u>1934</u>		
	<u>Dozen</u>	<u>Value</u>	<u>Average Value</u>	<u>Dozen</u>	<u>Value</u>	<u>Average Value</u>
All Countries	2,991	\$11,731	\$ 3.92	1,595	\$11,397	\$ 7.15
Japan	2,832	8,512	3.01	1,347	6,259	4.65
England	148	2,819	19.04	160	4,055	25.34

All Other Cotton Wearing Apparel

All Countries	\$216,699	\$226,669
Japan	39,260	79,209
England	75,820	76,172
France	38,367	34,198
Germany	35,544	21,683
Belgium	5,538	3,375
Hong Kong	1,057	1,535
Italy	5,810	1,467
Canada	1,060	713
Netherlands	9,423	19
All Other Countries	4,820	8,298

Source: Prepared by the Cotton Garment Code Authority.

Duty-free shipments of cotton garments from the Philippine Islands increased from \$1,830,874 in 1933 to \$2,120,684 in 1934. The price rise would probably account for this advance in dollar value.

Shipments of cotton garments from Puerto Rico to the United States showed a slight increase in 1934 as compared with 1933. Most of this increase occurred, however, during the first 8 months of the year. During the last 4 months of the year the higher wage scale enforced by the NRA Needlework Code in Puerto Rico resulted in a decline of 6 per cent in the volume shipped from September to December 1934, inclusive, compared with the same months in the previous year. These shipments were all free of duty.

	1933		1934	
	<u>Dozen</u>	<u>Value</u>	<u>Dozen</u>	<u>Value</u>
Women's dresses, skirts and waists	241,065	\$1,932,158	309,847	\$2,289,094
Women's underwear	587,008	3,403,113	144,337	760,905
Children's dresses	479,802	2,082,738	452,592	1,172,378
Men's and boys' clothing	38,131	248,967	70,686	437,969
Nightgowns and pajamas	917,539	3,132,978	1,481,100	5,726,351
	2,263,545	\$10,799,954	2,458,562	\$10,986,697

Source: Prepared by the Cotton Garment Code Authority.

List of Experts

SHIRT, COLLAR, UNDERWEAR, PAJAMA MANUFACTURERS

Mr. C. R. Palmer, President Cluett-Peabody & Co., 330 Fifth Ave., N.Y.C.
 Mr. Ralph Hunter, President, Hall-Hartwell & Co., Inc., 10 East 40th St.,
 N.Y.C.
 Mr. A. S. Phillips, President, Phillips-Jones Corp., 1225 Broadway, N.Y.C.
 Mr. L. J. Treuhart, Treasurer, Phillips-Jones Corp., 1225 Broadway, N.Y.C.
 Mr. A. R. Richtmyer, Sr., Knothe Brothers Co., 24 West 40th St., N. Y. C.

BOYS' BLOUSE, SHIRT AND WASH-SUIT MANUFACTURERS

Mr. George P. Wakefield, President, The Kaynee Co.,
 350 Fifth Ave., N. Y. C.
 Mr. M. Edward Rowan, Vice President, Elder Mfg. Co.,
 St. Louis, Mo.

WORK-CLOTHES MANUFACTURERS AND PLAY-SUITS MANUFACTURERS

Mr. Lloyd L. Mosser, Globe-Superior Corp., Abingdon, Ill.
 Greensboro, N. C.

WORK-SHIRT MANUFACTURERS

Mr. W. E. Stephens, President, W. E. Stephens Mfg. Co., Nashville, Tenn.
Mr. I. Fine, President, M. Fine & Sons Mfg. Co., 93 Worth St., N. Y. C.

SHEEPLINED AND LEATHER GARMENT MANUFACTURERS

Mr. Robert L. Smith, Partner, United Sheeplined Clo. Co., Newark, N. J.
Mr. E. C. Ostermann, President, Fried, Osterman Co., Milwaukee, Wisc.

WORK-PANTS MANUFACTURERS

Mr. Lester Rosenbaum, President, Kalamazoo Pants Co., Kalamazoo, Mich.
Mr. Sidney Moyer, President, Moyer Mfg. Co., Youngstown, Ohio.

COTTON HOUSE-DRESS MANUFACTURERS

Mr. W. J. Schminke, Vice President, Ely & Walker D. G. Co., St. Louis, Mo.
Mr. S. L. Hoffman, President, S. L. Hoffman & Co., 1350 Broadway, N.Y.C.

OILED COTTON GARMENT MANUFACTURERS

Mr. Edward W. Swan, President, A. J. Tower Co., Boston, Mass.
Mr. H. C. Fox, President, Standard Oil Clothing Co., 810 East 152nd St.,
N. Y. C.

NURSES' AND MAIDS' APRONS AND UNIFORMS

Mr. Charles B. Jacobs, President, Jacobs Brothers, Inc.,
1350 Broadway, N. Y. C.

MEN'S SHIRTS AND BOYS' BLOUSE CONTRACTORS

Mr. Meyer S. Feinberg, President, Unity Shirt Co., Derby, Conn.

WASHABLE SERVICE APPAREL MANUFACTURERS

Mr. Mont Levy, President, Angelica Jacket Co., St. Louis, Mo.

COTTON UNDERGARMENT AND SLEEPING GARMENT MANUFACTURERS

Mr. Sidney L. Bachrach, Steiner-Liberty Corp.,
Baltimore, Md.

INDUSTRIAL ENGINEER IN COTTON GARMENT INDUSTRY

Mr. Arthur Schwab, Suite 1127,
342 Madison Ave., N. Y. C.

APPENDIX

EXHIBIT A 1/

COTTON GARMENT EMPLOYMENT, WAGES AND HOURS
July 1929 to April 1935

Alfred Cahen, PH. D.
Statistician, Cotton Garment Industry

602 principal companies, including 916 plants, reported 154,927 workers for the second week in April, with a payroll of \$2,107,459 representing approximately three-fourths of the employment in the Cotton Garment Industry.

1. Employment Index

April 1935	100.0	April 1934	100.2
March 1935	99.2	July 1933	102.2
February 1935	93.5	March 1933	86.7
January 1935	84.0	July 1929	84.8

Chart 1 shows that employment in April 1935 remained almost constant compared to the preceding month, March 1935, and also compared to the same month one year ago, April 1934. However, the number of Cotton Garment workers in April 1935 exceeds by 18 per cent the July 1929 employment.

2. Weekly Wages

April 1935	\$13.52	April 1934	\$12.39
March 1935	13.25	July 1933	9.38
February 1935	12.97	March 1933	8.58
January 1935	11.90	July 1929	13.25

During the past year, Cotton Garment weekly wages rose \$1.13 per worker over April 1934, or an increase of 9.2 per cent compared to a rise of 6.1 per cent in living costs by the index of the National Industrial Conference Board. Weekly wages advanced in all of the 17 product subdivisions during the past year. The weekly pay check of the worker is 27 cents higher than in July 1929 providing employee purchasing power due to a fall of 17 per cent in living costs.

3. Weekly Hours

April 1935	32.3	April 1934	33.9
March 1935	31.8	July 1933	45.6
February 1935	31.1	March 1933	44.4
January 1935	29.6	July 1929	46.7

Despite a 10 per cent legal reduction in hours from April 1934 to April 1935, average working hours fell only 4.7 per cent. 252 of the 602 large companies were working longer than 36 hours per week in April 1934 and these concerns would be most directly affected in spreading employment under the 36-hour week. However, Chart 2 shows that their employment increased only 1.8 per cent though their average hours declined 11.8 per cent.

1/ This Exhibit is presented as prepared by the Code Authority.

4. North, South, and Border States

In the past year from April 1934 to April 1935, Chart 3 records a slight increase in employment in the North, a small decline in the border states of Maryland, District of Columbia, West Virginia, Kentucky, and Southern Missouri, and a marked decrease in the southern states. Higher wages in the North correspond to increases in employment, and sections of the country where lower wages were paid one year ago have now lost in employment.

5. Hourly Earnings

April 1935	41.8 cents	April 1934	36.4 cents
March 1935	41.7	July 1933	20.5
February 1935	41.6	March 1933	19.3
January 1935	40.0	July 1929	28.4

Hourly earnings of labor in the Cotton Garment Industry, excluding Sheep lined and Leather concerns, remained practically the same as in the preceding month, but gained 14.8 per cent over the same month one year ago exceeding the mandatory 11.1 per cent increase required under the 36-hour week. A very significant tendency is shown in Chart 4 that companies paying barely above the minimum in April 1934 have lost workers, while concerns averaging considerably above the minimum wage one year ago have now gained in employment. Hourly rate of pay increased in all of the 17 product groups between April 1934 and April 1935.

6. First Three Months Under the 36-Hour Week

February, March and April 1935 under the 36-hour week compared with identical months one year ago under the 40-hour week record declines in weekly hours in all three months considerably less than 10 per cent. Increases in average hourly earnings in all three months were greater than 11.1 per cent. No change in employment were reported in March and April 1935 compared with the same months one year ago. February 1935 was the only month under the 36-hour week to record increased employment, namely, 9.5 per cent, over February 1934. This result is not due to spreading work by shorter hours since average working hours have declined only 3.7 per cent from February 1934 to February 1935. The expected rise in retail prices of Cotton Garments due to increased labor costs from 11.1 per cent advance in wages and increased overhead owing to the 36-hour week did not occur according to price indexes of the National Industrial Conference Board, the U. S. Bureau of Agricultural Economics, and the Fairchild Publications. Cost increases under the 36-hour week were compensated by decline in price of cotton cloth so that the consumer of Cotton Garments has not experienced rising prices in the past year. Although the 36-hour week contemplated no change in weekly wages of workers, nevertheless, the past 3 months have all recorded fair increases above one year ago in the weekly pay checks of Cotton Garment Employees.

Per Cent changes	April to April 1934 1935	March to March 1934 1935	Feb. to Feb. 1934 1935
Weekly Wage	+9.2 per cent	+5.8 per cent	+10.6 per cent
Weekly Hours	-4.7	-7.6	-3.7
Hourly Earnings	+14.8	+14.5	+14.8
Employment	-0.2	+0.2	+9.5

Table 1

EMPLOYMENT, HOURS, AND WAGES IN 602 PRINCIPAL COMPANIES COVERING 916 PLANTS
WEEK ENDING APRIL 12, 1935

(Companies Classified by Major Product)

Number of Companies	Product	Employment	Payroll	Weekly Wage	Weekly Hours	Hourly Earnings
99	Men's Shirts	43,563	\$ 579,927	\$13.28	31.2	42.5¢
18	Custom-made Shirts	483	7,681	15.90	32.9	48.3
20	Men's and Boys' Pajamas	3,301	40,383	12.25	31.0	39.5
21	Boys' Blouses and Shirts	4,625	61,418	13.28	31.1	42.7
6	Boys' Wash-suits	330	5,807	17.60	34.3	51.3
42	Overalls	17,185	232,561	13.53	31.5	42.9
11	Children's Playsuits	953	11,642	12.21	32.0	38.2
68	Work-Pants	14,773	195,417	13.23	32.4	40.8
40	Other Men's and Boys' Pants	6,376	88,777	13.92	32.0	43.5
5	Men's Cotton Wash-Suits	396	5,528	13.96	33.9	41.2
34	Work-shirts	16,330	198,769	12.13	32.8	37.0
28	Lumberjacks, Outerwear	1,771	25,752	14.50	32.0	45.3
28	Sheeplined and Leather	2,875	52,396	18.20	29.8	61.0#
119	Cotton Wash-dresses	32,544	462,320	14.21	34.2	41.0
20	Women's Undergarments	3,898	51,084	13.10	31.5	41.7
16	Nurses' and Maids' Uniforms	2,272	34,233	15.08	34.0	44.3
19	Washable Service Apparel	1,888	31,576	16.72	33.0	50.7
8	Oiled Cotton Garments	1,314	22,188	16.88	35.1	48.0
602	Cotton Garment Industry	154,927	\$2,107,459	\$13.52*	32.3	41.8¢*

Source: Cotton Garment Code Authority.

Note 1: In each table, #Hourly Earnings of Sheeplined and Leather companies are lowered by the inclusion of some Cotton Garment employees in those plants.

* Note 2: In each table, *Weekly Wage and *Hourly Earnings for the entire Cotton Garment Industry exclude Sheeplined and Leather Garment employees.

Table 2

INDEXES OF EMPLOYMENT FOR IDENTICAL FACTORIES
(Companies classified by Major Product)

Product	Apr. 1935	Mar. 1935	Feb. 1935	Jan. 1935	Apr. 1934	July 1933	Mar. 1933	July 1929
Men's Shirts	100.0	99.9	96.7	88.7	94.6	93.7	79.2	96.4
Custom-Made Shirts	100.0	97.3	95.8	92.8	97.3	94.0	91.8	118.7
Men's and Boys' Pajamas	100.0	100.7	91.0	85.5	93.8	112.1	109.5	135.1
Boys' Flouses and Shirts	100.0	103.5	98.8	87.1	90.4	95.0	88.3	79.3
Boys' Wash-Suits	100.0	96.4	88.8	89.4	81.8	101.0	85.6	---
Overalls	100.0	98.1	99.8	90.5	110.9	111.3	92.1	80.5
Children's Playsuits	100.0	97.3	90.7	88.2	95.7	87.2	73.7	---
Work-Pants	100.0	102.4	96.2	87.3	97.0	115.0	99.9	92.6
Other Men's and Boys' Pants	100.0	95.1	90.1	79.0	92.9	106.0	91.5	77.5
Men's Cotton Wash-Suits	100.0	96.6	91.2	91.0	84.3	98.6	75.2	74.5
Work Shirts	100.0	101.3	97.1	82.5	120.3	102.3	83.8	52.2
Lumberjacks, Outerwear	100.0	110.8	97.4	74.1	102.0	123.1	65.5	129.2
Sheeplined and Leather	100.0	100.3	84.9	72.8	110.6	163.6	78.7	115.7
Cotton Wash-Dresses	100.0	95.2	85.8	77.0	98.0	99.0	92.3	75.8
Women's Undergarments	100.0	96.0	83.5	68.9	106.7	115.3	85.0	118.0
Nurses' and Maids' Uniforms	100.0	96.8	94.8	87.5	85.3	83.0	79.8	84.0
Washable Service Apparel	100.0	102.5	100.1	99.1	88.6	100.2	78.3	88.0
Oiled Cotton Garments	100.0	94.8	79.8	63.7	75.7	42.9	25.9	93.5
Cotton Garment Industry	100.0	99.2	93.5	84.0	100.2	102.2	86.7	84.8
Source:	Cotton Garment Code Authority							

* Note: Large increase in Work-Shirt employment between 1929 and 1933 is due to the reduction of prison labor.

Table 3

WEEKLY WAGES
(Companies Classified by Major Products)

Products	Apr. 1935	Mar. 1935	Feb. 1935	Jan. 1935	Apr. 1934	July 1933	Mar. 1933	July 1929
Men's Shirts	\$13.28	\$12.97	\$12.72	\$11.40	\$12.28	\$ 9.28	\$ 8.25	\$13.58
Custom-Made Shirts	15.90	15.91	16.91	13.82	14.66	12.78	13.00	20.21
Men's and Boys' Pajamas	12.25	12.94	11.74	10.96	12.30	8.57	8.40	13.11
Boys' Blouses and Shirts	13.28	14.07	13.00	11.46	12.28	9.81	9.32	13.03
Boys' Wash-Suits	17.60	17.29	16.87	15.42	15.70	11.18	12.70	-
Overalls	13.53	13.60	13.40	11.80	12.56	10.54	8.54	13.44
Children's Playsuits	12.21	12.05	12.30	11.29	11.72	8.42	8.70	-
Work-Pants	13.23	12.82	12.91	11.90	12.77	8.98	8.04	12.53
Other Men's and Boys' Pants	13.92	13.58	13.08	12.31	13.40	9.70	8.83	13.11
Men's Cotton Wash Suits	13.96	12.51	11.39	-	12.83	-	-	-
Work-Shirts	12.13	11.92	11.50	11.00	10.72	7.85	7.64	10.70
Lumberjacks, Outerwear	14.50	14.76	14.05	12.10	14.18	12.28	12.59	16.98
Sheeplined and Leather	18.20	18.48	16.23	13.40	18.63	15.98	12.52	20.09
Cotton Wash-Dresses	14.21	13.41	13.47	12.67	12.78	9.03	8.85	12.50
Women's Undergarments	13.10	13.52	12.90	11.80	12.20	10.28	9.28	14.41
Nurses' and Maids' Uniforms	15.08	15.15	14.55	13.97	14.04	11.00	12.02	17.98
Washable Service Apparel	16.72	16.41	15.64	16.20	16.02	14.90	14.09	18.51
Oiled Cotton Garments	16.83	16.41	16.24	15.00	16.18	14.28	13.43	19.90
Cotton Garment Industry	\$13.52	\$13.25	\$12.97	\$11.90	\$12.39	\$ 9.38	\$ 8.58	\$13.25

Source: Cotton Garment Code Authority.

Table 4

HOURLY EARNINGS
(Companies Classified by Major Product)

Product	Apr. 1935	Mar. 1935	Feb. 1935	Jan. 1935	Apr. 1934	July 1933	Mar. 1933	July 1929
Men's Shirts	42.5¢	42.8¢	42.7¢	40.7¢	37.2¢	20.9¢	18.9¢	28.6¢
Custom-Made Shirts	48.3	47.9	47.2	46.0	41.0	31.5	37.2	43.0
Men's and Boys' Pajamas	39.5	40.4	38.7	37.9	34.7	19.7	19.8	28.7
Boys' Blouses and Shirts	42.7	43.4	41.7	39.3	37.1	21.6	19.4	27.6
Boys' Wash-Suits	51.3	49.4	48.9	44.8	42.9	28.5	31.4	-
Overalls	42.9	42.4	43.3	40.3	38.0	24.1	20.9	33.1
Children's Playsuits	38.2	37.9	37.9	36.6	34.9	16.4	16.8	-
Work-Pants	40.8	40.7	40.7	39.8	36.8	18.9	18.3	26.9
Other Men's and Boys' Pants	43.5	43.5	42.2	39.6	36.9	21.2	20.6	28.2
Men's Cotton Wash-Suits	41.2	39.6	39.6	-	36.6	-	-	-
Work-Shirts	37.0	36.9	37.2	34.9	33.6	15.9	15.9	21.6
Lumberjacks, Outerwear	45.3	46.1	44.3	44.4	39.7	26.5	27.5	35.8
Sheeplined and Leather	61.0	60.0	59.8	56.8	54.7	36.4	35.6	44.2
Cotton Wash Dresses	41.0	40.7	41.0	40.7	35.6	19.8	19.2	27.3
Women's Undergarments	41.7	42.7	42.6	40.8	35.6	20.7	20.0	29.1
Nurses' and Maids' Uniforms	44.3	43.7	43.5	42.7	39.7	24.0	26.3	39.7
Washable Service Apparel	50.7	48.4	48.3	46.8	44.1	33.8	34.4	40.9
Oiled Cotton Garments	48.0	47.7	47.9	47.0	42.9	35.2	34.6	42.3
Cotton Garment Industry	41.8¢	41.7¢	41.6¢	40.0¢	36.4¢	20.5¢	19.3¢	28.4¢

Source: Cotton Garment Code Authority.

Table 5

WEEKLY HOURS
(Companies Classified by Major Products)

Product	Apr. 1935	Mar. 1935	Feb. 1935	Jan. 1935	Apr. 1934	July 1933	Mar. 1933	July 1929
Men's Shirts	31.2	30.3	29.8	28.0	33.0	44.4	43.6	47.4
Custom-Made Shirts	32.9	33.3	33.7	30.1	35.7	40.5	34.9	47.0
Men's and Boys' Pajamas	31.0	32.1	30.4	28.9	35.4	43.5	42.3	45.7
Boys' Blouses and Shirts	31.1	32.4	31.1	29.1	33.1	45.4	47.9	47.2
Boys' Wash-Suits	34.3	35.0	34.5	34.4	36.7	39.2	40.4	-
Overalls	31.5	32.0	31.0	29.3	33.0	43.7	40.9	44.5
Children's Playsuits	32.0	31.8	32.4	30.8	33.6	51.4	51.8	-
Work-Pants	32.4	31.6	31.8	29.9	34.7	47.5	43.9	46.6
Other Men's and Boys' Pants	32.0	31.2	30.9	31.1	36.4	45.8	42.7	46.5
Men's Cotton Wash-Suits	33.9	31.3	28.8	-	35.1	-	-	-
Work-Shirts	32.8	32.4	30.9	31.5	31.9	49.3	48.0	49.6
Lumberjacks, Outerwear	32.0	32.0	31.8	27.2	35.7	46.4	45.8	47.5
Sheeplined and Leather	29.8	30.8	27.1	23.6	34.0	43.9	35.2	45.5
Cotton Wash-Dresses	34.2	33.0	32.8	31.0	35.9	45.4	46.2	45.9
Women's Undergarments	31.5	31.3	30.3	29.0	34.2	49.5	46.4	49.5
Nurses' and Maids' Uniforms	34.0	34.7	33.3	32.8	35.4	45.6	45.6	45.3
Washable Service Apparel	33.0	33.9	32.4	34.6	36.3	44.0	41.0	45.3
Oiled Cotton Garments	35.1	34.4	33.9	31.9	37.7	40.6	38.9	47.2
Cotton Garment Industry	32.3	31.8	31.1	29.6	33.9	45.6	44.4	46.7

Source: Cotton Garment Code Authority.

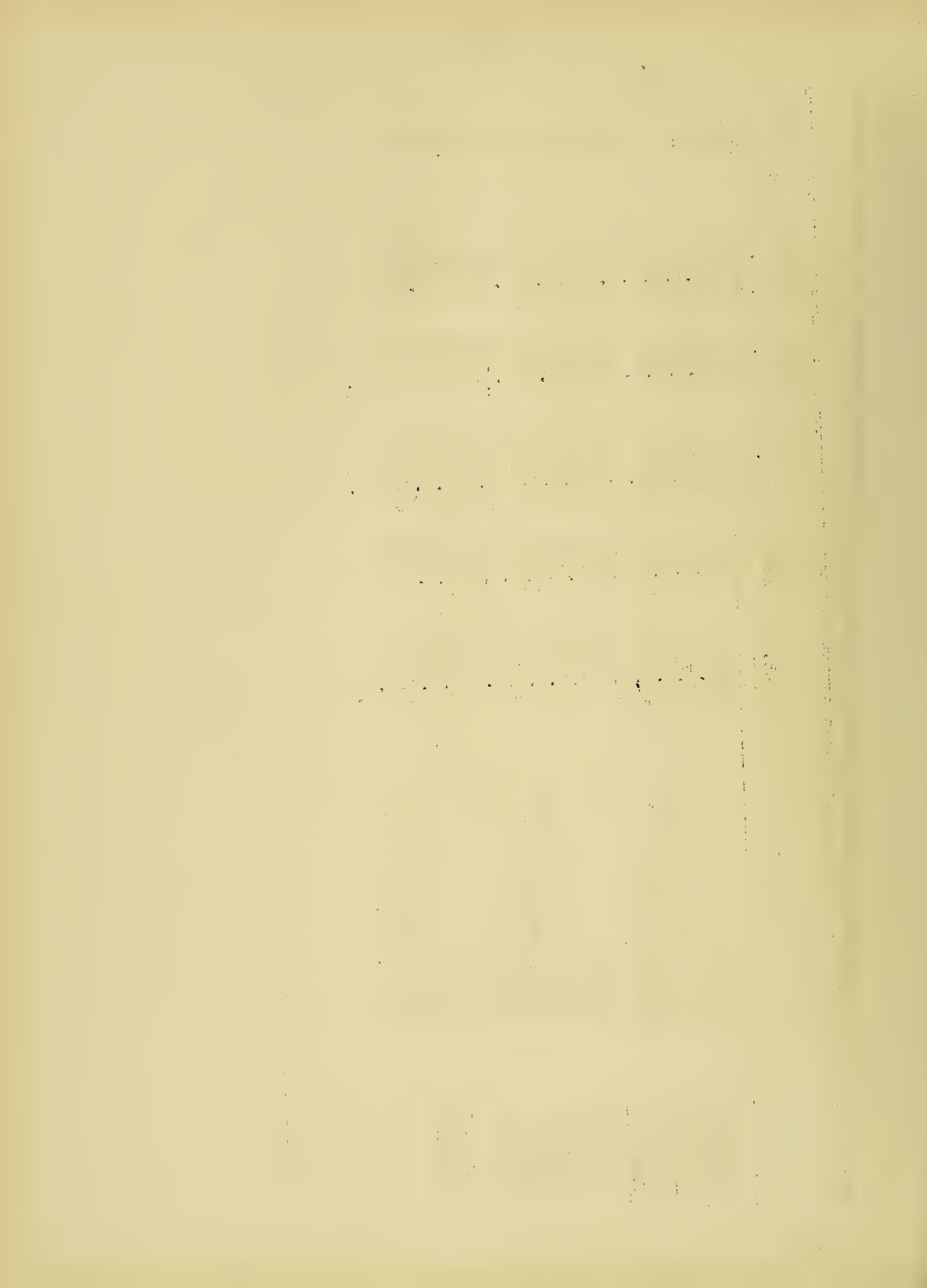
EXHIBIT B 1/COTTON GARMENT INDUSTRY
CHANGES IN WHOLESALE PRICE, AND MATERIAL, LABOR AND OTHER COSTS
(1933-1934)

	Feb. 1933	June 1933	Oct. 1933	Dec. 1933	Feb. 1934	Per cent Increase 1933-1934
AVERAGE OF 13 WASH-DRESS PLANTS						
Material	\$ 4.38	\$ 4.83	\$ 6.17	\$ 6.49	\$ 6.74	54
Labor	1.87	1.99	2.70	2.83	2.69	51
Total Direct Cost	6.25	6.82	8.87	9.18	9.57	53
Other Costs and Profit	3.76	3.98	4.18	4.15	4.73	26
Wholesale Price	10.01	10.80	13.05	13.33	14.30	43
AVERAGE 26 OVERALL PLANTS						
Material	4.96	5.70	8.85	8.36	8.43	70
Labor	1.58	1.70	2.29	2.23	2.22	41
Total Direct Cost	6.54	7.40	11.14	10.59	10.65	63
Other Costs and Profit	1.94	2.23	3.13	2.95	2.78	43
Wholesale Price	8.48	9.63	14.27	13.54	13.43	58
AVERAGE OF 12 MEN'S SHIFT PLANTS						
Material	4.24	4.61	6.18	6.18	6.20	46
Labor	2.01	2.00	2.53	2.53	2.65	32
Total Direct Cost	6.25	6.61	8.71	8.71	8.85	42
Other Costs and Profit	4.25	4.24	4.36	4.53	4.43	4
Wholesale Price	10.50	10.85	13.07	13.24	13.28	26
AVERAGE OF 8 PANTS PLANTS						
Material	6.64	7.95	10.67	9.67	9.57	44
Labor	2.84	3.12	3.93	3.94	3.54	25
Total Direct Cost	9.48	11.07	14.60	13.61	13.11	38
Other Costs and Profit	4.88	5.75	7.14	6.91	6.38	31
Wholesale Price	14.36	16.82	21.74	20.52	19.49	36

1/ This Exhibit is presented as prepared by the Code Authority.

(Continued)

	Feb. 1933	June 1933	Oct. 1933	Dec. 1933	Feb. 1934	Per cent Increase 1933-1934
AVERAGE OF 7 SHEEP- LINED AND LEATHER PLANTS						
Material	\$22.08	\$26.40	\$31.23	\$30.81	\$32.72	48
Labor	6.73	7.00	8.72	9.12	9.21	37
Total Direct Cost	28.81	33.40	39.95	39.93	41.93	46
Other Costs and Profit	10.19	9.94	11.95	12.39	12.89	26
Wholesale Price	39.00	43.34	51.90	52.32	54.82	41
AVERAGE OF 16 MISCEL- LANEOUS PRODUCT PLANTS						
Material	5.38	6.63	8.99	8.70	8.99	67
Labor	2.44	2.66	3.19	3.21	3.32	36
Total Direct Cost	7.82	9.29	12.18	11.91	12.32	58
Other Costs and Profit	5.17	5.35	6.23	5.82	5.76	11
Wholesale Price	12.99	14.64	18.41	17.73	18.08	39
TOTAL -- 87 PLANTS						
Material	\$ 6.35	\$ 7.41	\$ 9.92	\$ 9.66	\$ 9.94	57
Labor	2.39	2.54	3.24	3.26	3.29	38
Total Direct Cost	8.74	9.95	13.16	12.92	13.23	51
Other Costs and Profit	4.16	4.39	5.17	5.07	5.10	23
Wholesale Price	12.90	14.34	18.33	17.99	18.33	42



CHANGES IN MATERIAL, LABOR, OVERHEAD COST, AND WHOLESALE PRICES
FROM FEBRUARY, 1933 TO FEBRUARY, 1934

REPORTS BY 87 MEMBERS OF THE INTERNATIONAL ASSOCIATION OF GARMENT MANUFACTURERS
(February 1933 = 100)

Number of Plants	Product	Feb. 1933	Per cent			Feb. 1934
			June 1933	Oct. 1933	Dec. 1933	
26	Overalls	100	112	180	171	173
		100	108	145	141	141
		100	115	161	152	143
		100	113	168	162	158
18	Wash-Dresses	100	109	131	149	152
		100	106	144	144	151
		100	102	120	126	127
		100	104	135	128	142
8	Pants	100	126	163	150	146
		100	110	138	138	125
		100	109	145	138	129
		100	120	151	142	139
12	Men's Shirts	100	109	146	146	146
		100	100	126	126	132
		100	100	102	107	104
		100	103	124	126	126

(Continued)

Number of Plants Product		Per cent				
		Feb. 1933	June 1933	Oct. 1933	Dec. 1933	Feb.. 1934
7	Sheep Lined and Leather					
	Material	100	125	141	140	145
	Labor	100	103	131	141	141
	Overhead Cost and Profit	100	97	117	120	126
	Wholesale Price	100	110	131	135	140
16	Miscellaneous					
	Material	100	124	167	162	167
	Labor	100	109	131	132	136
	Overhead Cost and Profit	100	103	121	113	111
	Wholesale Price	100	113	142	136	139
87	All Companies					
	Material	100	123	165	161	165
	Labor	100	106	136	136	138
	Overhead Cost and Profit	100	106	124	122	122
	Wholesale Price	100	111	142	139	142

COTTON GARMENT INDUSTRY
PERCENTAGE OF MATERIAL, LABOR, AND OTHER COSTS TO WHOLESALE PRICES
(1933-1934)

	Per cent				Change in per	
	Feb. 1933	June 1933	Oct. 1933	Dec. 1933	cent 1933	cent February 1934
<u>AVERAGE OF 18 WASH-DRESS PLANTS</u>						
Material	47	47	49	50		2
Labor	19	19	21	21		2
Total Direct Cost	66	66	70	71		4
Other Costs and Profit	34	34	30	29		-4
Wholesale Price	100	100	100	100		-
<u>AVERAGE OF 26 OVERALL PLANTS</u>						
Material	59	60	62	62		4
Labor	19	17	16	17		-2
Total Direct Cost	78	77	78	79		2
Other Costs and Profit	22	23	22	21		-2
Wholesale Price	100	100	100	100		-
<u>AVERAGE OF 12 MEN'S SHIRT PLANTS</u>						
Material	42	44	49	47		5
Labor	19	19	19	19		1
Total Direct Cost	61	63	68	66		6
Other Costs and Profit	39	37	32	34		-6
Wholesale Price	100	100	100	100		-
<u>AVERAGE OF 8 PANTS PLANTS</u>						
Material	47	50	49	49		3
Labor	21	20	20	21		0
Total Direct Cost	68	70	69	70		3
Other Costs and Profit	32	30	31	30		-3
Wholesale Price	100	100	100	100		-

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(11-5-36)

	Per cent				Change in per	
	Feb. 1933	June 1933	Oct. 1933	Dec. 1933	cent 1933	cent February 1934
AVERAGE OF 7 SHEEP- LINED AND LEATHER PLANTS	58 17 75 25 100	61 16 77 23 100	60 17 77 23 100	59 17 76 24 100	60 17 77 23 100	2 0 2 -2 -
Material						
Labor						
Total Direct Cost						
Other Costs and Profit						
Wholesale Price						
AVERAGE OF 16 MISCEL- LANEOUS PRODUCT PLANTS	45 21 66 34 100	47 20 67 33 100	50 19 69 31 100	50 21 71 29 100	52 21 73 27 100	8 -1 7 -7 -
Material						
Labor						
Total Direct Cost						
Other Costs and Profit						
Wholesale Price						
TOTAL - 87 PLANTS	51 20 71 29 100	52 18 70 30 100	54 19 73 27 100	54 19 73 27 100	55 19 74 26 100	4 -1 3 -3 -
Material						
Labor						
Total Direct Cost						
Other Costs and Profit						
Wholesale Price						

